BAY AREA AIR QUALITY

TRANSPORTATION FUND FOR CLEAN AIR

# County Program Manager Fund Expenditure Plan Guidance Fiscal Year 2010/2011

# Transportation Fund for Clean Air

Bay Area Air Quality Management District
939 Ellis Street, San Francisco, CA 94109

February 8, 2010

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# REMINDER CHECKLIST

On each of the due dates listed below, please submit the following.

Note: Items due on dates that fall on weekends or on State/Federal holidays are due on the next following business day.

- ❑ **March 22, 2010 - Expenditure Plan application for fiscal year (FY) 2010/2011** - The application should include:
  - Summary Information Form, signed and dated by Program Manager's Executive Director
  - Summary Information Addendum Form (if applicable)

- ❑ **Within 6 months of Air District Board approval of allocation, and within 3 months for projects that do not conform to all TFCA Polices**:

  For each project:
  - Appendix E – Project Information Form
  - Appendix F – Cost-effectiveness Worksheets and supporting documentation

- ❑ **Every May 31** (See Page 7)
  - **Funding Status Report Form –** Include all open projects and projects closed since July 1.
  - **Final Report Form** – For projects closed July 1—December 31, submit both a Final Report Form and a final Cost-effectiveness Worksheet

- ❑ **Every October 31** (See Page 6)
  - **Interim Project Report Form** – Submit this form for every open project.
  - **Funding Status Report Form –** Include all open and projects closed since January 1.
  - **Final Report Form –** For projects closed January 1—June 30, submit both a Final Report Form and a final Cost-effectiveness Worksheet

# TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

## *INTRODUCTION*

On-road motor vehicles, including cars, trucks, and buses, constitute the most significant source of air pollution in the Bay Area. Vehicle emissions represent the largest contributor to unhealthful levels of ozone (summertime "smog") and particulate matter.

To protect public health, the State Legislature enacted the California Clean Air Act in 1988. As part of the requirements, the Air District prepared the *Bay Area Clean Air Plan (CAP)* and the *Bay Area 2005 Ozone Strategy*, which describe how the region will work toward compliance with the State one-hour ozone standard. To reduce emissions from motor vehicles, the *Bay Area 2005 Ozone Strategy* contains transportation control measures (TCMs) and mobile source measures (MSMs). A TCM is defined as "any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions." MSMs encourage the retirement of older, more polluting vehicles and the introduction of newer, less polluting motor vehicle technologies, which result not only in the reduction of ozone precursor emissions, but also of greenhouse gas emissions.

## *THE TFCA PROGRAM*

To fund the implementation of TCMs and MSMs, the State Legislature authorized the Bay Area Air Quality Management District to impose a $4 surcharge on motor vehicle registration fees paid within the San Francisco Bay Area. These revenues are allocated by the Air District through the Transportation Fund for Clean Air (TFCA). TFCA grants are awarded to public and private entities to implement eligible projects.

TFCA-funded projects have many benefits, including the following:

- √ Conserving energy and helping to reduce greenhouse gas emissions
- √ Reducing air pollution, including air toxics such as benzene and diesel particulates
- √ Improving water quality by decreasing contaminated runoff from roadways
- √ Improving transportation options
- √ Reducing traffic congestion

Forty percent (40%) of these funds are allocated to a designated program manager within each of the nine counties within the Air District's jurisdiction. This allocation is referred to as the TFCA Program Manager Fund. The remaining sixty percent (60%) of these funds are awarded directly by the Air District through the TFCA Regional Fund.

# TFCA PROGRAM MANAGER FUND

## *ROLES AND RESPONSIBILITIES*

### Program Manager

1. Administer program in accordance with applicable legislation, including Health and Safety Code Sections 44233, 44241, and 44242, and with Air District Board-Adopted TFCA County Program Manager Fund Policies for FY 2010/2011 (found in Appendix C).
2. Hold one or more public meetings each year for the purpose of adopting criteria for the expenditure of the funds (with criteria to include the Air District Board-Approved TFCA County Program Manager Fund Policies) and to review the expenditure of revenues received.
3. Prepare and submit Expenditure Plans, Project Information forms cost-effectiveness worksheets, and reports.
4. Provide funds only to projects that comply with the Air District Board-Approved Policies and/or have received Air District approval for award.
5. Encumber and expend funds within two years of the receipt of funds, unless an application for funds states that the project will take a longer period of time to implement and is approved by the Air District or the County Program Manager.
6. Limit administrative costs in handing of TFCA funds to no more than five (5) percent of the funds received in a given fiscal year.
7. Allocate (program) all new TFCA funds within six months of the date of the Air District's approval of Expenditure Plan.
8. Provide information to the Air District and to auditors on the expenditures of TFCA funds.

### Air District

1. Hold a public hearing to:
   a. Adopt cost-effectiveness criteria that projects and programs are required to meet. Criteria shall maximize emission reductions and public health benefits; and
   b. Allocate County Program share of DMV fee revenues.
2. Provide guidance, offer technical support, and hold workshops on program requirements, including cost-effectiveness.
3. Review Expenditure Plans, cost-effectiveness worksheets, project information forms, and reports.
4. Re-distribute unallocated TFCA County Program Manager Funds.
5. Limit TFCA administrative costs to a maximum of five percent (5%).
6. Conduct audits of TFCA programs.
7. Hold a public hearing in the case of any misappropriation of revenue.

## *ELIGIBLE TFCA PROJECT TYPES*

TFCA legislation limits the use of TFCA funds to certain project categories. Projects must also meet further eligibility requirements as described in the California Health and Safety Code 44241. The following is a complete list of mobile source and transportation control project types authorized under the California Health and Safety Code Section 44241(b):

1. The implementation of ridesharing programs;
2. The purchase or lease of clean fuel buses for school districts and transit operators;
3. The provision of local feeder bus or shuttle service to rail and ferry stations and to airports;
4. Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets;"
5. Implementation of rail-bus integration and regional transit information systems;
6. Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit;
7. Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations;
8. Implementation of a smoking vehicles program;
9. Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program; and
10. The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

***TFCA funds may not be used for:***

- *Planning activities that are not directly related to the implementation of a specific project; nor*
- *The purchase of personal computing equipment for an individual's home use.*

# PROGRAM SCHEDULE

**Program Schedule for the FY 2010/2011 Cycle**

| | |
|---|---|
| February 2010 | Expenditure Plan Application Guidance issued by Air District, including funding estimates |
| March 22, 2010 | Deadline for Program Managers to submit application |
| April 22, 2010 | Proposed Expenditure Plan funding allocations reviewed by Air District Mobile Source Committee (tentative) |
| May 5, 2010 | Expenditure Plan funding allocations considered for approval by Air District Board of Directors (tentative) |
| May 19, 2010 | Air District provides Agreements to County Program Managers for signature |
| *May 31, 2010* | *Funding Status and Final Reports due for projects from FY09/10 and before* |
| August 5, 2010 | Deadline: Within three months of Board approval, Program Manager submits request for Air District approval of any projects that do not conform to TFCA policies (date tentative) |
| *October 31, 2010* | *Funding Status, Interim Project, and Final Reports due* |
| November 5, 2010 | Deadline: Within six months of Board approval, Program Manager provides Cost-Effectiveness Worksheets and Project Information forms for new projects and programmings (date tentative) |
| May 31, 2011 | Funding Status and Final Reports due for projects from FY10/11 and before |

# EXPENDITURE PLAN APPLICATION

The Air District emails Program Managers the Expenditure Plan application materials. The application includes: 1) the Summary Information form, and 2) the Summary Information Addendum form.

Expenditure Plans are due Monday, March 22, 2010. The Expenditure Plan must be submitted in hard and digital copy. Email Expenditure Plans to grants@baaqmd.gov. Hard copy may be submitted by mail or hand delivered to:

Karen M. Schkolnick, District Grant Programs Manager
Bay Area Air Quality Management District
Strategic Incentives Division
939 Ellis Street
San Francisco, CA 94109

Materials sent to the Air District via fax machine will not be accepted.

# PROGRAMMING OF FUNDS

Program Manager must allocate (program) TFCA Program Manager funds within six months of Air District Board approval of a Program Manager's Expenditure Plan and submit a hard copy of: 1) the Cost-Effectiveness Worksheet and 2) a separate Project Information form for each new project or supplemental allocation to an existing project.

Policy #3 provides a mechanism for consideration of projects that are authorized in the TFCA legislation and meet the cost-effectiveness requirement for that project type, but are in some way inconsistent with TFCA County Program Manager Policies specific to that project type. To request that project be approved by the Air District, Program Managers must submit a Cost-Effectiveness Worksheet, Project Information form, and supporting documentation for each project to the Air District for review no later than three months after Air District Board's approval of the Expenditure Plan.

# REPORTING

The following is a description of required reports and submission dates. Air District Approved reporting forms will be posted on the Air District's website at:

http://www.baaqmd.gov/Divisions/Strategic-Incentives/Transportation-Fund-for-Clean-Air/County-Program-Manager-Fund.aspx.

- **Cost-Effectiveness Worksheet (due within 6 months of Air District Board approval of Expenditure Plan)**

  The purpose of the cost-effectiveness worksheet is to calculate estimated (pre-project) and realized (post-project) emissions reduced for each project, and compare the emissions reductions to the TFCA funds invested. Program Managers must ensure that the cost-effectiveness of the TFCA funded portion of projects achieves $90,000 (or another value if specified in the Policies) or less per ton of emissions of reactive organic gases (ROG), oxides of nitrogen (NOx) and weighted particulate matter (PM) reduced.

Program Managers must submit cost-effectiveness worksheet to the Air District pre- and post-project. In general, the same version of the worksheet should be used for the pre- and post-project evaluation. Instructions for completing the worksheets are found in Appendix F. If you do not use the Air District's default guidelines to determine a project's cost-effectiveness you must provide documentation and information to support alternate value and assumptions to the Air District for review and evaluation.

- **Project Information Form (due within 6 months of Air District Board approval of Expenditure Plan; see Appendix E)**

  The primary purpose of the Project Information form is to provide a description of each project funded, and any other technical information that is not captured in the Cost-Effectiveness Worksheet. A copy of this form and instructions for completing it are found in Appendix E. Project Information forms must be submitted for each new project funded and a revised Project Information form must be submitted whenever changes are approved by the Program Manager that affect the information stated on this form.

- **Biannual Funding Status Report Form (due October 31 and May 31; see Appendix B)**

  This form is used to track all TFCA Program Manager-funded projects. Provide an update on all open and recently closed projects (closed since January 1 for the October 31 report; since July 1 for the May 31 report). Be sure to report any change in status for all projects including cancelled, completed under budget, received supplemental funding, or received a time-extension during the previous six months. A copy of this form is attached in Appendix B.

- **Final Report Form (due October 31 and May 31; available August 2010)**

  For each project, a Final Report Form is due at the conclusion of the project. The Final Reports are specific to each type of project. In previous years these report forms were titled Project Monitoring Forms. Final Reports are due to the Air District semi-annually as follows:

  ***Due October 31:*** *Projects that closed January 1 – June 30*

  ***Due May 31:*** *Projects that closed July 1 – December 31 (except if a Final Report has already been submitted)*

- **Annual Interim Project Report Form (due October 31; available August 2010)**

  For each active/open project, an Interim Project Report Form is due annually on October 31. This report provides status information on project progress and fund usage. In previous years these report forms were titled Project Status Reporting Forms.

Projects funded prior to FY10/11 cycle may use reporting forms that were provided for that project funding year. Program Managers may choose to require additional reports of project sponsors.

# ADDITIONAL INFORMATION

### Workshops and Assistance

Air District staff is available to assist with TFCA project cost-effectiveness analysis, workshops for project sponsors and outreach for TFCA projects. Program Managers are urged to consult with Air District staff when evaluating projects, in particular vehicle and infrastructure projects, as the determination of surplus emissions reductions beyond regulatory requirements can be complicated. Please contact us and let us know how we can assist you.

### Air District Contacts

Please direct questions to.

David Wiley
Supervising Environmental Planner
(415) 749-4622
dwiley@baaqmd.gov

Karen Schkolnick
District Grants Manager
(415) 749-5070
kschkolnick@baaqmd.gov

# APPENDIX A

## GUIDELINES FOR ELIGIBLE TFCA REIMBURSABLE COSTS

The Transportation Fund for Clean Air (TFCA) enabling legislation allows the vehicle registration fees collected for the program to be used for project implementation costs, as well as administrative project costs. Both project implementation costs and administrative project costs may be further divided into direct and indirect costs. This appendix provides guidance differentiating direct and indirect project implementation costs from direct and indirect administrative costs, as well as guidance on reporting and calculating these costs. The Air District will use the definitions and interpretations discussed below in the financial accounting of the TFCA program. The Air District conducts periodic audits on TFCA-funded projects to ensure that the TFCA funds have been spent in accordance with the guidelines established in this Appendix.

Although allowed, many project sponsors choose not to charge administrative project costs to the TFCA program. Project sponsors that choose to charge administrative project costs must comply with Health and Safety Code, Section 44233, as interpreted in this Appendix and TFCA County Program Manager Fund Policy #16 in this guidance document. The Health and Safety Code states that not more than five percent (5%) of the TFCA funds received from the Air District can be used for administrative project costs.

### Project Implementation Costs

Project implementation costs are charges associated with implementing a TFCA-funded project and can encompass both direct and indirect costs.

**Direct Project Implementation Costs**

Direct project implementation costs include the following:

- Documented hourly labor charges (salaries, wages, and benefits) directly and solely related to implementation of the TFCA project,
- Capital costs,
- Capital equipment installation costs,
- Equipment maintenance costs,
- Shuttle driver labor costs,
- Labor costs related to capital purchases,
- Operator or personnel training directly related to project implementation,
- Contractor labor charges related to the TFCA project, and
- Overhead costs associated with the previously mentioned costs.

The direct project implementation costs that are approved by the Air District will be outlined in Attachment A of the Funding Agreement. The project sponsor may seek reimbursement for these costs by providing proper documentation with project invoices. Such documentation must show how the direct project implementation costs were calculated, for example, by listing the date when

the hours were worked, employee job title, employee hourly pay rates, tasks, and total charges. Documentation of hourly charges may be provided with time sheets or any other generally accepted accounting method to allocate and document staff time.
TFCA funds may be used to pay for travel and training costs only if these costs are directly related to the implementation of the TFCA-funded project. For example, the cost of training mechanics to service natural gas clean air vehicles is an allowable direct project implementation cost.

### Indirect Project Implementation Costs

Indirect project implementation costs are the reasonable overhead costs incurred to provide a physical place of work and other general support services and oversight related to the implementation of the TFCA-funded project. Indirect project implementation costs associated with implementing the project might include rent, utilities, office supplies, computer, payroll, reproduction, mailroom support staff, and management oversight. Although the Health and Safety Code is silent on the issue of indirect project implementation costs, the Air District will reimburse project sponsors for these costs provided the project sponsor requests and justifies the reimbursement in the grant application (Regional Fund) or Expenditure Program (County Program Manager Fund). The Air District guidance on calculating indirect project implementation costs are provided in the last section of this appendix. A project sponsor may choose not to charge any indirect project implementation costs to a TFCA project. The accounting methods used by many public agencies do not include identification of indirect project implementation costs or the application of an indirect cost rate. The agency may determine that it is not cost-effective to implement a new system.

## Administrative Project Costs

Administrative project costs are the costs associated with the administration of a TFCA project, and do not include project capital or operating costs, as discussed above. The combined direct and indirect administrative project costs that are reimbursable to a project sponsor are limited to a maximum of five percent (5%) of the total TFCA funds received annually. For the County Program Manager program, the interest earned on prior DMV funds received shall not be included in the calculation of the administrative project costs.

All reimbursement of both direct and indirect administrative project costs must be requested and justified in writing in the project application (Regional Funds) or Expenditure Program (County Program Manager Funds). If administrative project costs are approved by the Air District, they will be identified in Attachment A of the Funding Agreement. The project sponsor may seek reimbursement for direct and indirect administrative project costs by providing proper documentation with project invoices. Documentation for direct administrative project costs will show how these costs were calculated by listing the date when the hours were worked, employees' job titles, employees' hourly pay rates, tasks being charged, and total charges. Documentation of hourly charges may be provided with time sheets or any other generally accepted accounting method to allocate and document staff time. The Air District recommends that documentation of indirect administrative project costs use the methodology provided at the end of this appendix.

Administrative project costs are limited to the following:

- Direct and indirect costs associated with entering into a TFCA Funding Agreement, including documented hourly labor and overhead costs (salaries, wages, and benefits). Hourly labor charges must be expressed on the basis of hours worked on the TFCA project. Note that costs incurred in the preparation of a TFCA application are not eligible for reimbursement;
- Accounting for TFCA funds; and
- Fulfilling all monitoring, reporting, and record-keeping requirements specified in the TFCA Funding Agreement, including the preparation of quarterly reports, invoices, and final reports.

## Reporting and Calculating Direct and Indirect Project Costs

The following methodology is recommended to determine direct and indirect costs for both Project Implementation and administrative project costs. In general, when expenses are shared among programs or functions within an organization, they are defined as indirect costs. Indirect costs are shared among TFCA and other programs in an organization, so they are not charged to TFCA in full, but pro-rated among the programs. The project sponsor must determine the proportion of indirect costs that each program should bear. The Air District relies on OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments for determining appropriate indirect costs for TFCA projects. The Air District uses the following definition, consistent with the Circular: "indirect costs are the reasonable overhead costs incurred in providing a physical place of work and in performing general support services and oversight. Examples include rent, utilities, office supplies, computer, payroll, reproduction, mailroom support staff, and management oversight."

The District recommends that the indirect costs for a TFCA project be estimated based on actual indirect cost rates from the most recent fiscal audit of the agency. The following method is recommended:

1. From the most recent fiscal audit of the agency, identify all of the activities carried on by the project sponsor, and their costs.
2. Classify the activities as project implementation costs or administrative project costs, using the definitions provided above.
3. Classify the TFCA Implementation and Administrative activities and estimate their costs as direct or indirect costs. Refer to OMB Circular A-87 for assistance.
4. Direct project implementation costs may be charged to the Air District as line items in project invoices. Note that these costs must be documented as explained above.
5. Direct administrative project costs may be charged to the Air District as line items in project invoices. Note that these costs must be approved in advance by the Air District, must be documented as explained above, and when combined with indirect administrative project costs, as calculated in 7b below, may not exceed the five percent (5%) cap.
6. Indirect project implementation costs and indirect administrative project costs may be charged to the Air District as separate line items in project invoices by multiplying the indirect cost rate(s) calculated below by the direct project implementation costs and the direct administrative project costs.
7. Indirect project implementation costs and indirect administrative project costs may be determined using the following method. This method assumes that the ratio of the indirect costs to total personnel expenses for all of an agency's activities is the same as for

implementation of the TFCA project(s) by that agency. The most recent agency financial audit should be used as the source of costs in calculating the indirect cost rate(s) below. The indirect cost rate(s) based on costs in the most recent audit are applied to the direct project implementation costs and direct administrative project costs to calculate the indirect project implementation costs and indirect administrative project costs.

a. The indirect project implementation costs and indirect administrative project cost rates may be calculated separately or the same rate may be used for both costs calculated from an agency's most recent financial audit and the following methodology:

Step 1 - Remove from the agency's total indirect costs any capital purchases or other unallowable costs. Unallowable costs include functions unrelated to the implementation of projects.

Step 2 - Calculate the agency's direct cost base as the total personnel expenses (all agency functions or programs) minus indirect personnel expenses (support functions or programs, unallowable personnel costs). Personnel expenses include salaries, wages, and benefits.

Step 3 - Divide the total remaining indirect costs by the direct cost base.

$$\textbf{Indirect Cost Rate} = \frac{\textbf{(Total Indirect Costs – Capital Purchases, External Contracts, and Unallowable Costs )}}{\textbf{(Total Personnel Expenses – Indirect Personnel Expenses)}}$$

b. The TFCA direct project implementation costs and direct administrative project costs multiplied by the indirect cost rates will equal the amount of indirect costs recoverable as part of the TFCA project implementation costs and administrative project costs. Both the indirect project implementation costs and indirect administrative project costs may be charged to the Air District as line items in project invoices.

$$\textbf{Indirect Costs Recoverable from TFCA} = \textbf{TFCA Direct Costs (or Project Direct Costs)} \times \textbf{Indirect Cost Rate}$$

# APPENDIX B – FUNDING STATUS REPORT FORM

Program Manager: _____

Date: _____

***Report Period:*** ☐ **May 31** ☐ **Oct 31**

**CP** Cancelled Project

**UB** Cmpl Under Budget

Update by CMA

From Air District Database

**Please update columns in yellow and other cells where applicable.**

**Column A** Funds received should be listed as a negative; balance from a closure listed as positive

**Column B** 100% = All components/reports completed, approved and $ paid out

90% = All components completed; $ paid out; awaiting Final Report

| | | | | | | A | | | B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **BAAQMD Project #** | **Project Title** | **Initial TFCA Funds Awarded** | **Current TFCA Funds Awarded** | **TFCA$ Paid Out** | **Funds from CP/UB** | **TFCA$ Reprgm To Project# or FY** | **% Cmpl** | **% Cmpl per CMA Update** | **Project Completion Date** | **Project Cmpl Date Per CMA Update** | **Comments** |
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Please add additional rows for projects that are not listed that are new, open, or recently closed.

Please complete *a certification* below only if **project completion date(s) have been extended.**

I _____(print name), to the best of my knowledge, certify that the information provided is complete and correct; and that if an extension has been approved, that significant progress has been made on the project(s) for which the funds were granted, pursuant to HSC 44242(d).

_____(Signature)
Program Manager Staff Liaison

# APPENDIX C

## BOARD-ADOPTED TFCA COUNTY PROGRAM MANAGER FUND POLICIES FOR FY 2010/2011 (Adopted 2/3/2010)

The following policies apply only to the Transportation Fund for Clean Air (TFCA) County Program Manager Fund.

**BASIC ELIGIBILITY**

1. **Reduction of Emissions**: A project must result in the reduction of motor vehicle emissions within the Air District's jurisdiction to be considered eligible for TFCA funding. Projects that are subject to emission reduction regulations, contracts, or other legally binding obligations must achieve surplus emission reductions to be considered for TFCA funding. Surplus emission reductions are those that exceed the requirements of applicable State or federal regulations or other legally binding obligations at the time the Air District Board of Directors approves an expenditure plan. Planning activities (e.g., feasibility studies) that are not directly related to the implementation of a specific project are not eligible for TFCA funding. For the purpose of TFCA, "fleet averaging" may not be considered when evaluating surplus emissions.

2. **TFCA Cost-Effectiveness:** Projects must achieve TFCA cost-effectiveness, on an individual project basis, equal to or less than $90,000 of TFCA funds per ton of total of emissions reduced, unless a different value is specified in the policy for that project type. For the purpose of this program, emissions that are calculated include a) reactive organic gases (ROG), b) oxides of nitrogen (NOx), and c) weighted particulate matter 10 microns in diameter and smaller ($PM_{10}$) emissions reduced ($/ton). Program Manager administrative costs are excluded from the calculation of TFCA cost-effectiveness.

3. **Eligible Projects**: Eligible projects are those that conform to the provisions of the California Health and Safety Code (HSC) section 44241, Air District Board adopted policies and Air District guidance. On a case-by-case basis, Program Managers must receive approval by the Air District for projects that are authorized by the HSC Section 44241 and achieve Board adopted TFCA cost-effectiveness, but do not fully meet other Board adopted Policies.

4. **Consistent with Existing Plans and Programs:** Only projects described in HSC Section 44241 are eligible for funding. Projects must also comply with the transportation control measures and mobile source measures included in the Air District's most recently approved strategy(ies) for State and national ozone standards and, when applicable, with other adopted State and local plans and programs.

5. **Eligible Recipients:** TFCA grants may be awarded to public agencies and to non-public entities.

   Non-public entities may only apply for funding for certain clean air vehicle projects including but not limited to engine repowers, engine retrofits, fleet modernization, alternative fuels, vehicle and infrastructure projects, as described in HSC Section 44241(b)7. No single non-public entity may be awarded more than $500,000 in TFCA County Program Manager Funds for clean air vehicle projects in each funding cycle.

6. **Readiness:** A project will be considered for TFCA funding only if it will commence in calendar year 2011or sooner. For purposes of this policy, "commence" means to order or accept delivery of vehicles or other equipment being purchased as part of the project, to begin delivery of the service or product provided by the project, or to award a construction contract.
7. **Maximum Two Years Operating Costs:** TFCA grant applications that request operating funds to provide a service, such as ridesharing programs or bicycle stations, are eligible for funding for up to two years. Grant applicants who seek TFCA funds for additional years must re-apply for funding in the subsequent funding cycles.

**APPLICANT IN GOOD STANDING**

8. **Failed Audit:** Project sponsors who have failed either the fiscal audit or the performance audit for a prior TFCA-funded project will be excluded from future funding for five (5) years, or duration determined by the Air District Air Pollution Control Officer (APCO). Existing TFCA funds already awarded to the project sponsor will not be released until all audit recommendations and remedies have been satisfactorily implemented. A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of TFCA funds. A failed performance audit means that the project was not implemented as set forth in the project funding agreement.

   In case of a failed audit, a Program Manager may be subject to a reduction of future revenue in an amount equal to the amount which was inappropriately expended pursuant to the provisions of HSC Section 44242(C)3.
9. **Authorization for County Program Manager to Proceed**: Only a fully executed funding agreement (i.e., signed by both the Air District and the County Program Manager) constitutes a final approval and obligation on the part of the Air District. Program Managers may only incur costs (i.e., an obligation made to pay funds that cannot be refunded) after the funding agreement with the Air District has been executed.
10. **Insurance:** Each County Program Manager and project sponsor must maintain general liability insurance, workers compensation insurance, and additional insurance as appropriate for specific projects, with estimated coverage amounts provided in Air District guidance and final amounts specified in the respective funding agreements.

**INELIGIBLE PROJECTS**

11. **Duplication**: Grant applications for projects that duplicate existing TFCA-funded projects and therefore do not achieve additional emission reductions will not be considered for funding. Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.
12. **Employee Subsidy**: Grant applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor will not be considered for funding.

**USE OF TFCA FUNDS**

13. **Cost of Developing Proposals:** The costs of developing grant applications for TFCA funding are not eligible to be reimbursed with TFCA funds.

14. **Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project with the exception of clean air vehicle projects. For the purpose of calculating TFCA cost-effectiveness, the combined sums shall be used to calculate the TFCA cost of the project.

15. **Administrative Costs:** Administrative costs for TFCA County Program Manager Funds are limited to a maximum of five percent (5%) of the actual Department of Motor Vehicles (DMV) fee revenues that correspond to each county, received in a given year. Interest earned on prior DMV funds received shall not be included in the calculation of the administrative costs. All reimbursement with TFCA funds of administrative costs (i.e., direct and indirect) must be requested and justified in writing in the project application or expenditure plan, and approved in advance and in writing by the Air District.

16. **Expend Funds within Two Years:** County Program Manager Funds must be expended within two (2) years of receipt of the first transfer of funds from the Air District to the County Program Manager in the applicable fiscal year. A County Program Manager may, if it finds that significant progress has been made on a project, approve no more than two (2) one-year (1-year) schedule extensions for a project. Any subsequent schedule extensions for projects can only be given on a case-by-case basis, if the Air District finds that significant progress has been made on a project, and the funding agreement between the Program Manager and the Air District is amended to reflect the revised schedule.

17. **Unallocated Funds:** Any TFCA County Program Manager funds that are not allocated to a project within six months of the Air District Board of Directors approval of the Program Manager's Expenditure Plan may be allocated to eligible projects by the Air District. The Air District shall make reasonable effort to award these funds to eligible projects within the same county from which they originated.

18. **Reserved.**

19. **Reserved.**

20. **Reserved.**

## ELIGIBLE PROJECT CATEGORIES

21. **Alternative Fuel Light-Duty Vehicles:**

**Eligibility:** For TFCA purposes, light-duty vehicles are those with a gross vehicle weight rating (GVWR) of 8,500 lbs. or lighter. Light-duty vehicle types and equipment eligible for funding includes:

A. New hybrid-electric, electric, fuel cell, and CNG/LNG vehicles certified by the CARB as meeting established super ultra low emission vehicle (SULEV), partial zero emission vehicle (PZEV), advanced technology-partial zero emission vehicle (AT-PZEV), or zero emission vehicle (ZEV) standards.

B. New electric neighborhood vehicles (NEV).

C. CARB emissions compliant vehicle system retrofits that result in reduced petroleum use (e.g., plug-in hybrid systems).

Gasoline and diesel (non-hybrid) vehicles are not eligible for TFCA funding.

Funds are not available for non-fuel system upgrades such as transmission and exhaust systems and should not be included in the incremental cost of the project.

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state/federal rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the difference in cost between the purchase or lease price of the new vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed, 2010 emissions standards.

22. **Alternative Fuel Medium and Heavy-Duty Service Vehicles (Low-mileage utility trucks in idling service):**

**Eligibility:** For TFCA purposes, medium and heavy-duty service vehicles are on-road motor vehicles with a Gross Vehicle Weigh Rating (GVWR) of 14,001 pounds or heavier. This category includes only vehicles in which engine idling is required to perform the primary function (for example, crane or aerial bucket trucks). In order to qualify for this incentive, each new vehicle must be placed into a service route that has a minimum idling time of 520 hours/year, and a minimum mileage of 500 miles/year.

TFCA funds awarded may not exceed the difference in the purchase or lease price of the new clean air vehicle that surpasses the applicable emissions standards and its new conventional vehicle counterpart that meets, but does not exceed, the emissions standards (incremental cost).

Scrapping Requirements: Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year 1997 or older heavy-duty diesel vehicles in their fleet are required to scrap one model year 1997 or older heavy-duty diesel vehicle for each new clean air vehicle purchased or leased with TFCA funds. Project sponsors with model year 1998 and newer heavy-duty diesel vehicles in their fleet may, but are not required to, meet this scrapping requirements. Applications that include scrapping components may receive additional credit towards the calculation of the overall cost effectiveness of the project. Costs related to the scrapping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds.

23. **Alternative Fuel Heavy-Duty Vehicles (high mileage):**

**Eligibility:** For TFCA purposes, Alternative Fuel Heavy-Duty Vehicles are defined as follows: Light-heavy-duty vehicles (LHDV) are those with a GVWR between 8,501 lbs. and 14,000 lbs, medium-duty vehicles (MDV) are those with a GVWR between 14,001 lbs. and 33,000 lbs., and heavy-duty vehicles (HDV) are those with a GVWR equal to or greater than 33,001 lbs. LHDV, MDV and HDV types and equipment eligible for funding include the following:

A. New hybrid-electric, electric, and CNG/LNG vehicles certified by the CARB.

B. CARB emissions compliant vehicle system retrofits that result in reduced petroleum use.

TFCA funding may not be used to pay for non-fuel system upgrades such as transmission and exhaust systems.

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the

difference in cost between the purchase or lease price of the vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed, 2010 emissions standards.

**Scrapping Requirements:** Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year 1997 or older heavy-duty diesel vehicles in their fleet are required to scrap one model year 1997 or older heavy-duty diesel vehicle for each new vehicle purchased or leased with TFCA funds. Project sponsors with model year 1998 and newer heavy-duty diesel vehicles in their fleet may, but are not required to, meet this scrapping requirement. Costs related to the scrapping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds.

24. **Alternative Fuel Buses:**

Buses are subject to the same Eligibility and Scrapping requirements listed in Policy #21.

For purposes of transit and school bus replacement projects, a bus is any vehicle designed, used, or maintained for carrying more than fifteen (15) persons, including the driver. A vehicle designed, used, or maintained for carrying more than ten (10) persons, including the driver, which is used to transport persons for compensation or profit, or is used by any nonprofit organization or group, is also a bus. A vanpool vehicle is not considered a bus.

25. **Alternative Fuel Infrastructure:**

**E**ligible refueling infrastructure projects include new dispensing facilities, or additional equipment or upgrades and improvements that expand access to existing alternative fuel refueling sites. This includes upgrading or modifying private fueling stations to allow public and/or shared fleet access. Funding may be used to cover the cost of equipment and installation.

TFCA funded refueling infrastructure projects must be available to and accessible by the public. Refueling equipment and infrastructure must be designed, installed and maintained as required by the existing recognized codes and standards and approved by the local/state authority.

Applicants must provide data supporting the demand for the infrastructure (e.g., letters of support from potential users) and plans for maintaining the equipment in the future.

TFCA funding is limited to 50% of the total project cost and may not exceed a maximum award amount of $200,000 per project sponsor.

TFCA funding may not be used to pay for fuel, operation, and maintenance costs.

26. **Reserved.**

27. **Shuttle/Feeder Bus Service:**

Shuttle/feeder bus service projects are those requesting funds to operate a shuttle or feeder bus route to or from a rail station, airport, or ferry terminal. To be eligible, shuttle/feeder bus service schedules must be coordinated with connecting rail or ferry schedules.

Shuttle/feeder bus service applicants must either: a) be a public transit agency or, b) submit documentation from the General Manager of the transit agency that provides service in the area of

the proposed shuttle route, which demonstrates that the proposed shuttle service does not duplicate or conflict with existing transit agency service.

All vehicles used in shuttle/feeder bus service must meet the applicable CARB standards for public transit fleets use one of the following types of shuttle/feeder bus vehicles:

A. an alternative fuel vehicle (CNG, liquefied natural gas, propane, electric);

B. a hybrid-electric vehicle;

C. a post-1996 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or

D. a post-1989 gasoline-fueled vehicle.

Pilot shuttle/feeder bus service projects are required to meet a cost-effectiveness of $125,000/ton during the first two years of operation (see Policy # 3). A pilot project is a defined route that is at least 70% unique and has not previously been funded through TFCA. Applicants must provide data supporting the demand for the service, letters of support from potential users and providers, and plans for financing the service in the future.

28. **Ridesharing Projects:**

Applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor are not eligible.

29. **Bicycle Projects:**

New bicycle facility projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. Eligible projects are limited to the following types of bicycle facilities for public use: a) new Class-1 bicycle paths; b) new Class-2 bicycle lanes; c) new Class-3 bicycle routes; d) bicycle racks, including bicycle racks on transit buses, trains, shuttle vehicles, and ferry vessels; e) bicycle lockers; f) attended bicycle storage facilities; g) the purchase of bicycles, mounted equipment required for the intended service, and helmets; and g) development of a region-wide web-based bicycle trip planning system. All bicycle facility projects must, where applicable, be consistent with design standards published in Chapter 1000 of the California Highway Design Manual.

30. **Arterial Management:**

Arterial management grant applications must specifically identify a given arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment. Projects that provide routine maintenance (e.g., responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funding. Incident management projects on arterials are eligible to receive TFCA funding. Transit improvement projects include, but are not limited to, bus rapid transit and transit priority projects. For signal timing projects, TFCA funds may only be used for local arterial management projects where the affected arterial has an average daily traffic volume of 20,000 motor vehicles or more, or an average peak hour traffic volume of 2,000 motor vehicles or more.

31. **Smart Growth/Traffic Calming:**

Physical improvements that support development projects and/or calm traffic, resulting in motor vehicle emission reductions, are eligible for TFCA funds, subject to the following conditions: a) the development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, bicycle plan, traffic-calming plan, or other similar plan; and b) the project must implement one or more transportation control measures (TCMs) in the most recently adopted Air District strategy for State and national ozone standards. Pedestrian projects are eligible to receive TFCA funding. Traffic calming projects are limited to physical improvements that reduce vehicular speed by design and improve safety conditions for pedestrians, bicyclists or transit riders in residential and retail areas. Only projects with a completed and approved environmental plan may be awarded TFCA funds.

# APPENDIX D

# INSURANCE GUIDELINES

This appendix provides guidance on the insurance coverage and documentation typically required for TFCA Program Manager Fund projects. Note that the Air District reserves the right to specify different types or levels of insurance in the funding agreement.

The typical funding agreement requires that each Project Sponsor provide documentation showing that the Project Sponsor meets the following requirements for each of its projects. The Program Manager is not required to meet these requirements itself, unless it is acting as a project sponsor.

1. **Liability Insurance:**

   Corporations and Public Entities - a limit of not less than $1,000,000 per occurrence. Such insurance shall be of the type usual and customary to the business of the Project Sponsor, and to the operation of the vehicles, engines or equipment operated by the Project Sponsor.

   Single Vehicle Owners - a limit of not less than $750,000 per occurrence. Such insurance shall be of the type usual and customary to the business of the Project Sponsor, and to the operation of the vehicles, engines or equipment operated by the Project Sponsor.

2. **Property Insurance:**

   New Equipment Purchases - an amount of not less than the insurable value of Project Sponsor's vehicles, engines or equipment funded under this Agreement, and covering all risks of loss, damage or destruction of such vehicles, engines or equipment.

   Retrofit Projects - 2003 model year vehicles or engines or newer in an amount of not less than the insurable value of Project Sponsor's vehicles, engines or equipment funded under this Agreement, and covering all risks of loss, damage or destruction of such vehicles, engines or equipment.

3. **Workers Compensation Insurance:**

   Construction projects – including but not limited to bike/pedestrian paths, bike lanes, smart growth and vehicle infrastructure, as required by California law and employers insurance with a limit not less than $1 million.

4. **Acceptability Of Insurers:**

   Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII. The Air District may, at its sole discretion, waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance.

The following table lists the type of insurance coverage generally required for each project type. The requirements may differ in specific cases. Program Managers should contact the Air District liaison with questions, especially about unusual projects.

| County Program Manager Fund Contract Activity | Insurance Required |
|---|---|
| Vehicle Purchase | Automobile Liability and Automobile Physical Damage |
| Engine Repowers/Retrofits | Automobile Liability and Automobile Physical Damage |
| Operation of shuttle from transit hubs | Commercial General Liability, Automobile Liability and Automobile Physical Damage |
| Transit pass subsidy or commute incentives | None |
| Transit Marketing Program | Commercial General Liability |
| Guaranteed Ride Home Program | None |
| Bicycle lockers and racks. | Commercial General Liability |
| Constructing bike/pedestrian path or overpass, bike lane, or smart growth or vehicle infrastructure | Commercial General Liability, Automobile Liability and Workers Compensation |
| Signal timing | Commercial General Liability |

# APPENDIX E
# PROJECT INFORMATION

A. Project Number: 10XX01
*Use consecutive numbers for projects funded, with year, county code, and number, e.g., 10MAR01, 10MAR02 for Marin County. Zero (e.g., 10MAR00) is reserved for County Program Manager TFCA funds allocated for administration costs.*

B. Project Title: _____
*Provide a concise, descriptive title for the project (e.g., "Elm Ave. Signal Interconnect" or "Purchase Two Diesel-Electric Hybrid Heavy-Duty Trucks").*

C. TFCA Funds Allocated: $_____ D. Total Project Cost: $_____
*Indicate the TFCA dollars allocated (C) and total project cost (D).*

E. Project Description:

Project sponsor will use TFCA funds to XXXXXXX. *Include information sufficient to evaluate the eligibility and cost-effectiveness of the project. Examples of the information needed include but are not limited to: what will be accomplished by whom, how many pieces of equipment are involved, how frequently it is used, the location, the length of roadway segments, the size of target population, etc. Background information should be brief. For shuttle/feeder bus projects, indicate the hours of operation, frequency of service, and rail station and employment sites/area served.*

F. Final Report Content: Final Report Form and final Cost Effectiveness Worksheet
*Reference the appropriate Final Report Form that will be completed and submitted after project completion.*

*Form 1 – Ridesharing, Shuttles, Transit Information, Rail/Bus Integration, Smart Growth, and Traffic Calming Projects*
*Form 2 – Clean Air Vehicle and Infrastructure Projects*
*Form 3 – Bicycle Projects*
*Form 4 – Arterial Management Projects*

G. Attach a copy of cost-effectiveness worksheet and any other information used to evaluate the proposed project. For example, for heavy-duty vehicle projects, include the California Air Resources Board Executive Orders for all engines and diesel emission control systems.

*Cost-effectiveness Worksheets are not needed for TFCA County Program Manager administrative costs. Additional documentation is required for heavy-duty vehicle and vehicle infrastructure projects in order for emission reductions to be verified.*

H. Comments (if any):
*Add any relevant clarifying information in this section.*

# APPENDIX F

## Instructions for Cost-Effectiveness Worksheets

Cost-Effectiveness Worksheet templates will be provided by the end of February 2010.

Program Managers must submit Cost-Effectiveness Worksheets for each new project and projects receiving additional TFCA funds with Project Information forms due six months after Air District Board approval of the Program Manager's Expenditure Plan. As these will be used during project evaluation, the Air District provides instructions below.

Consult the following instructions before entering data into the worksheets for estimating emission reductions for TFCA projects. The Air District provides Microsoft Excel worksheets to Program Managers by e-mail. The cost-effectiveness worksheets are used to calculate project emission reductions and TFCA cost-effectiveness (TFCA $/ton of emission reductions). Program Managers must provide all relevant assumptions used to determine the project's cost-effectiveness; these should be provided on the Notes & Assumptions worksheet found on a separate tab in each Excel workbook. Worksheets must be completed for all project types with the exception of TFCA County Program Manager administrative costs.

| **Project Type** | **Worksheet Name** |
|---|---|
| Ridesharing, Shuttles, Bicycle, Smart Growth, and Traffic Calming Projects | Trip Reduction 10 |
| Arterial Management: Signal Timing | Arterial Management 10 |
| Arterial Management: Transit Bus Priority[2] | Trip Reduction 10 |
| Bus and Heavy-Duty Vehicle | Heavy-Duty Vehicles 10 |
| Light-Duty Vehicles | Light-Duty Vehicles 10 |
| Low-Mileage Utility Trucks – Idling Service | Low-Mileage Vehicle 10 |

**Only make entries in the yellow-shaded areas of the Cost-Effectiveness worksheet.** The new filename should begin with the application number (i.e., 09NAP01), formatted as described below under General Project Information. The worksheet contains four sections: General Project Information, Cost Effectiveness Inputs, Emission Reduction Calculations, and Cost Effectiveness Results.

Inputs to the General Project Information section do not affect the cost-effectiveness calculation for the worksheet. The Cost Effectiveness Inputs and Emission Reduction Calculations inputs are required inputs for the cost-effectiveness calculation on the worksheet. No information should be typed into the Cost Effectiveness Results section. **Please provide an explanation of your assumptions in the Notes & Assumptions worksheet, found in a separate tab in the Excel file.** Guidance on inputs for the worksheets is provided below.

## A. Emission Reductions Worksheet

### *General Project Information*

**Project Title:** Short descriptive title of project

**Project Sponsor:** Entity requesting TFCA funds

Below is a comprehensive reference table for the TFCA program; not all project types are allowed in the current funding cycle

**Project Type Code:** Insert one of the following codes for the corresponding project type. If none of the codes is appropriate, leave blank:

| Code | Project Type | Code | Project Type |
|---|---|---|---|
| **0** | Administrative costs | **6e** | Shuttle services – Fuel cell powered |
| **1a** | NG buses (transit or shuttle buses) | **6f** | Shuttle services – Hybrid vehicle |
| **1b** | EV buses | **6g** | Shuttle services – Other fuel type |
| **1c** | Hybrid buses | **7a** | Class 1 bicycle paths |
| **1d** | Fuel cell buses | **7b** | Class 2 bicycle lanes |
| **1e** | Buses – Alternative fuel | **7c** | Class 3 bicycle routes |
| **2a** | NG school buses | **7d** | Bicycle lockers |
| **2b** | EV school buses | **7e** | Bicycle racks |
| **2c** | Hybrid school buses | **7f** | Bicycle racks on buses |
| **2d** | Fuel cell school buses | **7g** | Attended bicycle parking (“bike station”) |
| **2e** | School buses – Alternative fuel | **7h** | Other type of bicycle project (e.g., bicycle loop detectors) |
| **3a** | Other heavy-duty – NG (street sweepers, garbage trucks) | **8a** | Signal timing (Regular projects to speed traffic) |
| **3b** | Other heavy-duty – EV | **8b** | Arterial Management – transit bus priority |
| **3c** | Other heavy-duty – Hybrid | **9a** | Smart growth – traffic calming |
| **3d** | Other heavy-duty – Fuel cell | **9b** | Smart growth – pedestrian improvements |
| **3e** | Other heavy-duty - Alternative fuel (High Mileage) | **9c** | Smart growth – other types |
| **3f** | Other heavy-duty - Alternative fuel (Low Mileage) | **10a** | Rail-bus integration |
| **4a** | Light-duty vehicles – NG | **10b** | Transit information / marketing |
| **4b** | Light-duty vehicles – EV | **11a** | Telecommuting demonstration |
| **4c** | Light-duty vehicles – Hybrid | **11b** | Congestion pricing demonstration |
| **4d** | Light-duty vehicles – Fuel cell | **12a** | Natural gas infrastructure |
| **4e** | Light-duty vehicles – Other clean fuel | **12b** | Electric vehicle infrastructure |
| **4f** | Light-duty vehicles – Alternative fuel (SULEV) | **12c** | Alternative fuel infrastructure |
| **4g** | Light-duty vehicles – Alternative fuel (PZEV) | | |
| **4h** | Light-duty vehicles – Alternative fuel (AT-PZEV) | | |
| **4i** | Light-duty vehicles – Alternative fuel (ZEV) | | |
| **5a** | Implement TROs (pre-1996 projects only) | | |
| **5b** | Regional Rideshare Program | | |
| **5c** | Incentive programs (for any alternative mode) | | |
| **5d** | Guaranteed Ride Home programs | | |
| **5e** | Ridesharing – Vanpools (if cash incentive only, use 5c) | | |
| **5f** | Ridesharing – School carpool match | | |
| **5g** | Other ridesharing / trip reduction projects | | |
| **5h** | Trip reduction bicycle projects (e.g., police on bikes) | | |
| **6a** | Shuttle services – diesel powered | | |
| **6b** | Shuttle services – gasoline powered | | |
| **6c** | Shuttle services – NG powered | | |
| **6d** | Shuttle services – EV powered | | |

**Proj. Sponsor Contact:** Name of individual responsible for implementing the project

**Proj. Sponsor Phone #:** Phone number of project sponsor contact

**Proj. Sponsor E-mail:** E-mail address of project sponsor contact

**Calculated by:** Initials of person responsible for workbook inputs.

**Application #:** The application number is composed of three parts:

**1st** - fiscal year in which project will be funded (Ex: 10)

**2nd** - county implementing project (Ex: SOL for Solano)

**3rd** - two digit number identifying project (Ex: 13)

(Example: 09MAR04 = fiscal year **2010/11**, **Mar**in, Project #**04)**

Use the following abbreviations to identify counties:

| | | |
|---|---|---|
| **ALA** – Alameda | **CC** - Contra Costa | **MAR** – Marin |
| **SC** - Santa Clara | **SON** – Sonoma | **NAP** – Napa |
| **SM** - San Mateo | **SF** - San Francisco | **SOL** - Solano |

***Cost Effectiveness Inputs***

**# Years Effectiveness:** Years of effectiveness for project. See table below.

**Total Project Cost:** Total cost of project including TFCA funding, sponsor funding, and funds contributed by other entities.

**TFCA Cost:** TFCA 40% County Program Manager Funds and the 60% Regional Funds (if any) listed separately.

***Emission Reduction Calculations***

Instructions for completing the Air District's worksheets for calculating emissions reductions are provided in the table beginning on the following page. Default values for years of effectiveness are provided in the table below for the different project types. (Note that there are no defaults for Smart Growth projects.) Several cells have input choices or information built in, as pull-down menus or comments in Excel. Drop-down menus are accessed by clicking on a cell. Comments are indicated by a small triangle in the upper right corner of a cell, and are made visible by resting the cursor over the cell.

**B. Notes & Assumptions Worksheet**

Provide an explanation of assumptions used in the Notes & Assumptions worksheet, found in a separate tab in the Excel workbook. If you select to not use the Air District's guidelines to determine cost-effectiveness, you must document and explain your cost-effectiveness inputs and assumptions.

## Emission Reduction Inputs

| Project Type/Worksheet Name | Input Data Needed | Default Assumptions |
|---|---|---|
| **Ridesharing / Trip Reduction**<br>Project Type = 5 a-h, 8b, 9 a-c, 11a, or 11b<br>Worksheet = Trip Reduction 10<br>Note: For ridesharing, the Air District generally assumes that the maximum number of vehicle trips reduced per day is 1% of target population. | **Ridesharing**<br>• # Years Effectiveness<br>• # Trips/Day (1-way) eliminated [% of target population (# employees)]<br>• Days/Yr<br>• Trip Length (1-way) | • Enter in Cost Effectiveness Inputs, up to 2 years<br>• Enter in Step 1-Column A, 1% of target population<br>Enter in Step 1-Column B, 240 days (max.)<br>• Step 1-Column C, Default = 16 miles (1-way commute distance from MTC's Commuter Profile 2005 ) |
| | **School-Based Ridesharing**<br>• # Years Effectiveness<br>• # Trips/Day (1-way) eliminated [% of target population (total # students)]<br>• Days/Yr<br>• Trip Length (1-way) | • Enter in Cost Effectiveness Inputs, up to 2 yrs<br>• Step 1-Column A, No Default<br>• Enter in Step 1-Column B, 180 days (max.)<br>• Step 1-Column C, 1-3 miles |
| | **Transit Incentive Campaigns**<br>• # Years Effectiveness<br>• # Trips/Day (1-way) eliminated [% of target population]<br>• Days/Yr<br>• Trip Length (1-way)<br>• # New Trips/Day (1-way) to access transit<br>• Days/Yr (new trips)<br>• Trip Length (1-way) for new trips | • Enter in Cost Effectiveness Inputs, up to 2 yrs<br>• Step 1-Column A, No Default<br>• Enter in Step 1-Column B, 90 days (max.)<br>• Step 1-Column C, No Default<br>• Step 2-Column A, No Default<br>• Enter in Step 2 - same as # days used in Step 1<br>• Step 2-Column C, Default = 3 miles |
| | **Guaranteed Ride Home Programs**<br>• # Years Effectiveness<br>• # Trips/Day (1-way) eliminated<br>• Days/Yr<br>• Trip Length (1-way) | • Enter in Cost Effectiveness Inputs, up to 2 years<br>• Enter in Step 1-Column A, 0.2% of target population.<br>• Enter in Step 1-Column B, 240 days (Max.)<br>• Step 1-Column C, Default = 16 miles |
| | **Transit Bus Signal Prioritization**<br>• # Years Effectiveness<br>• # Trips/Day (1-way) eliminated<br>• Days/Yr<br>• Trip Length (1-way) | • Enter in Cost Effectiveness Inputs, 2 yrs<br>• Step 1-Column A, No Default<br>• Enter in Step 1-Column B, 250 days (Max.)<br>• Step 1-Column C, No Default |

# Emission Reduction Inputs

| Project Type/Worksheet Name | Input Data Needed | Default Assumptions |
|---|---|---|
| **Bicycle Projects**<br>Project Type = 7a -h<br>Worksheet = Trip Reduction 10<br>Methodology to estimate number of trips reduced for bike paths, lanes, & routes based on:<br>- the type of facility (Class 1, 2, or 3)<br>- the length of the project segment<br>- the traffic volume (ADT) on the facility.<br><br>For Class 1 projects, use the ADT on the most appropriate parallel road.<br><br>For gap closure projects (where project will close a gap between two existing segments of bikeway), use the length for the total facility.<br><br>Note: the maximum number of vehicle trips reduced per day is 240. The Air District generally assumes that no bike project will reduce more than 240 vehicle trips per day.<br><br>The Air District normally uses an average trip length of 3 miles (one-way) for bicycle projects. | **<u>Bicycle Projects (Paths, Lanes, Routes)</u>**<br><br>• # Years Effectiveness<br>Class 1 bike path (or bike bridge)<br>Class 2 bike lane<br>Class 3 bike route<br><br>• # Trips/Day (1-way) eliminated (depends on length of project segment and ADT on project segment)<br>Class 1 bike path & Class 2 bike lane ADT < 12,000 vehicles per day<br>Class 1 bike path & Class 2 bike lane ADT > 12,000 and < 24,000<br>Class 1 bike path w/ADT = 24,000 +<br>Class 2 bike lane w/ ADT = 24,000 +<br>Class 3 bike route<br><br>• Days/Yr<br>• Trip Length (1-way) | • Enter in Cost Effectiveness Inputs:<br>20 years for Class 1 projects (trails/paths)<br>15 years for Class 2 & Class 3 projects<br><br>• Enter in Step 1-Column A:<br>Length < 1 mile = 0.4% ADT<br>Length >1 and <2 miles = 0.6% ADT<br>Length >2 miles = 0.8% ADT<br>Length < 1 mile = 0.3% ADT<br>Length >1 and <2 miles = 0.45% ADT<br>Length >2 miles = 0.6% ADT<br>Length < 1 mile = 0.25% ADT<br>Length >1 and <2 miles = 0.35% ADT<br>Length >2 miles = 0.45% ADT<br>Route < 1 mile = 0.1% ADT<br>Route >1 and <2 miles = 0.15% ADT<br>Route >2 miles = 0.25% ADT<br>• Enter in Step 1-Column B, 240 days<br>• Enter in Step 1-Column C, 3 miles |
| | **<u>Bicycle Lockers & Racks</u>**<br>• # Years Effectiveness<br>• # Trips/Day (1-way) eliminated<br><br>• Days/Yr<br>• Trip Length (1-way) | • Enter in Cost Effectiveness Inputs, 10 yrs<br>• Enter in Step 1-Column A:<br>Capacity of lockers x 1 trip/day<br>Capacity of racks x 0.5 trips per day<br>• Enter in Step 1-Column B, 240 days<br>• Enter in Step 1-Column C, 3 miles |

# Emission Reduction Inputs

| Project Type/Worksheet Name | Input Data Needed | Default Assumptions |
|---|---|---|
| **Shuttles / Rail-Bus Integration / Transit Info**<br>Project Type =6a - g, 10a, or 10b<br>Worksheet = Trip Reduction 10 | **<u>Shuttle/Feeder Bus, Rail-Bus Integration, and Transit Information Systems</u>** | |
| | • # Years Effectiveness | • Cost Effectiveness Inputs, up to 2 years |
| | • # Trips/Day (1-way) eliminated trips | • Step 1-Column A,<br>For on-going service, use survey results<br>For new service, use 50% seating capacity (max.) |
| | • Days/Yr eliminated trips | • Step 1-Column B, Enter number of operating days. Default =254 days/yr. |
| | • Trip Length (1-way) eliminated trips. Average trip length that will be eliminated due to shuttle passengers taking BART or CalTrain before accessing the shuttle. | • Enter in Step 1-Column C, 16 miles (Avg.) |
| | • # Trips/Day (1-way) new trips to access transit | • Step 2-Column A, Default is 50% of # Trips/Day Eliminated (Step 1-Column A) |
| | • Days/Yr new trips | • Enter in Step 2-Column B, same # as in Step 1-Column B. |
| | • Trip Length (1-way) new trips. Average trip length of shuttle passengers that drive from home to the BART/CalTrain station. | • Enter in Step 2-Column C, default is 3 miles for home to rail trips |
| | | *For vans and shuttle vehicles, use Step 3A.*<br>*For buses, use Step 3B.* |
| | • Shuttle/vanpool vehicle gross vehicle weight (GVW) | • Step 3A - Column D, enter gross vehicle weight. (Default use 1 for Vanpool, 2 for Shuttle) |
| | • Vehicle fuel type<br>• Model Year | • Step 3A - Column E, enter appropriate emission rating. Use the Default Baseline for gas or diesel powered vehicles (unless vehicle has been certified to ULEV or cleaner standard). |
| | • Total annual miles VMT = [length of shuttle/van trip (one-way)] X [# one-way trips per day] X [# days of service per year] | • Step 3A – Column F, No Default<br>• Step 3B – Column D, Default = 1<br>• Step 3B – Column E, No Default |

# Emission Reduction Inputs

| Project Type/Worksheet Name | Input Data Needed | Default Assumptions |
|---|---|---|
| | **Arterial Management** | |
| **Arterial Management**<br>Project Type = 8a<br>Worksheet = Arterial Management 10 | • # Years Effectiveness | • Enter in Cost Effectiveness Inputs:<br>2 or 4 yrs for signal timing/synchronization |
| | • Name of Arterial | • Enter under Column A the name of the arterial and the direction of travel. |
| | • Segment Length (miles) | • Enter under Column B the length of arterial over which speeds will be increased. |
| | • Days/Yr. | • Enter under Column C the number of days per year over which the project would affect traffic. Default equals 250 days. |
| | • Time Period | • Enter under Column D the time period over which the traffic volumes and speed will change (e.g. AM peak, 4-7 PM, etc.). Include all the hours in a period that will benefit, not just the peak hour. |
| | • Traffic Volume | • Enter under Column E the traffic volume before implementation of the project for the corresponding Time Period and direction of travel. |
| | • Traffic Speed w/o the Project | • Enter under Column F the average traffic speed along the length of the arterial before implementation of the project. |
| | • Travel Speed w/ Project | • Enter under Column G the average estimated traffic speed along the length of the arterial after implementation of the project. *Note: Maximum increase in speed is 25%.* |
| **Smart Growth** | **Smart Growth / Traffic Calming** | No default assumptions for "smart growth" or traffic calming projects. |
| | **Clean Air Vehicles** | |
| **Clean Air Vehicles: Heavy-Duty**<br>Project Types = 1a, 1b, 1c, 1d, 1e, 2a, 2b, 2c, 2d, 2e, 3b, 3c, 3d, 3e, 3f<br>Worksheet = Heavy Duty Vehicles 10 | • # Years Effectiveness | • Enter in Cost Effectiveness Inputs:<br>7 yrs for vehicle projects |
| **Clean Air Vehicles: Light-Duty**<br>Project Types = 4a, 4b, 4c, 4d, 4e<br>Worksheet = Light-Duty Vehicles 10 | • # Years Effectiveness | • Enter in Cost Effectiveness Inputs<br>5 years |
| | **Clean Air Vehicle Infrastructure** | (To be updated by 2/28/10) |